

# AIRNOVATIONS CONFERENCE

## TERP In Your State: Practical Aspects of Funding

August 24-26, 2005

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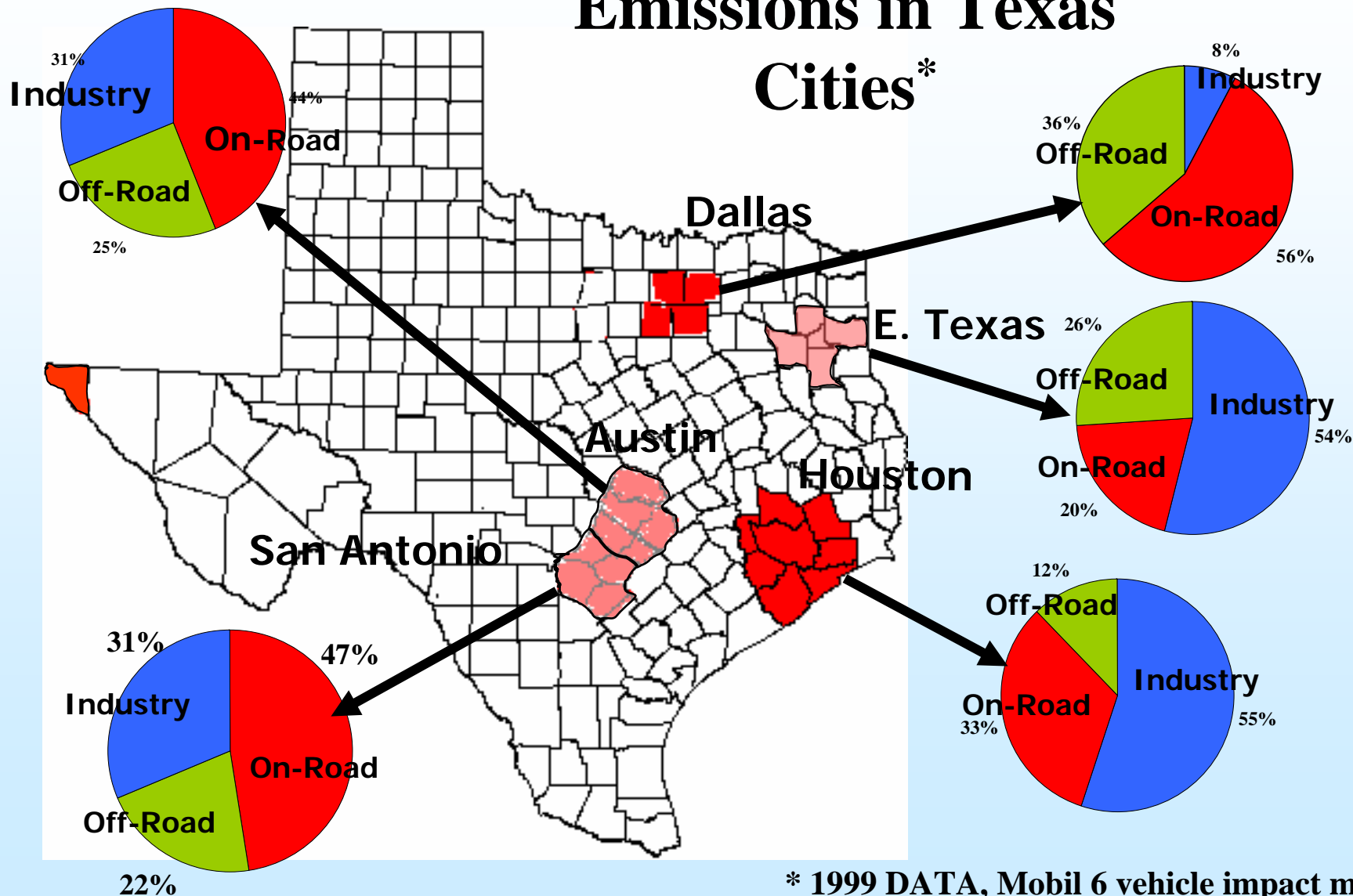
Guida, Slavich & Flores, P.C

# Overview

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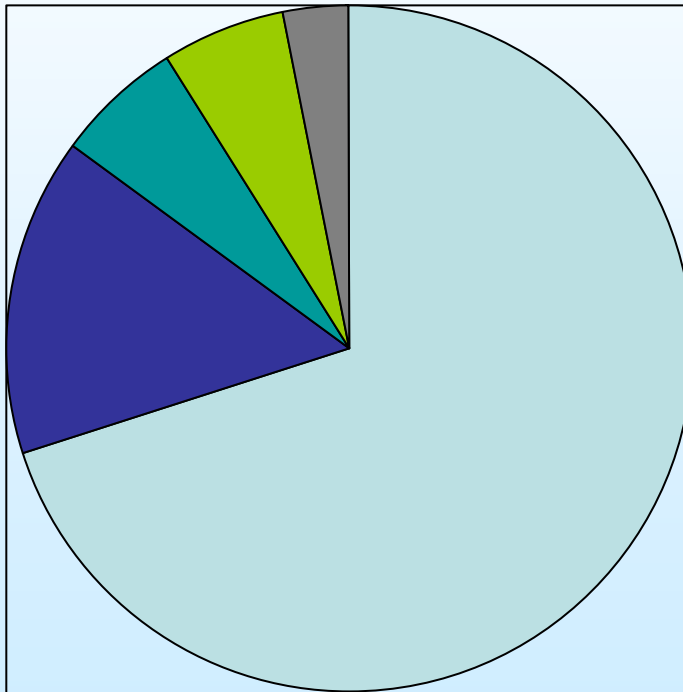
- TERP was created in 2001 by SB 5 (77th Texas Legislature) to provide grants and other incentives for improving air quality throughout the state
- Removed construction shift and Tier 2/3 accelerated purchase requirements from the State Implementation Plan for Dallas/Fort Worth and Houston/Galveston
- HB 1365, enacted in 2003, restored funding to the program and made other changes.
- In 2005, HB 2481 reauthorized TERP and extended the program until 2010
- Provides incentives, rebates, and grants for various types of clean air projects
- TERP is administered by the TCEQ and a number of other state agencies and boards

# Sources of NO<sub>x</sub> Emissions in Texas Cities\*



\* 1999 DATA, Mobil 6 vehicle impact model<sup>3</sup>

# Revenue Sources for 2004



- Portion of Vehicle Certificate of Title Fee
- 2% Surcharge for Sale/Lease of Heavy Duty Diesel Vehicles
- 2.5% Surcharge for Sale/Lease of Pre-1997 Heavy-Duty Diesel Vehicles
- Registration Fees for Truck Tractors & Commercial Vehicles
- \$10 Fee on Commercial Motor Vehicles

# Summary of Projects Funded

- Texas Commission on Environmental Quality
- Texas Emissions Reduction Plan (TERP)
- Emissions Reduction Incentive Grants Program
- Summary of Projects Funded to Date (by Emission Source)
- July 16, 2005

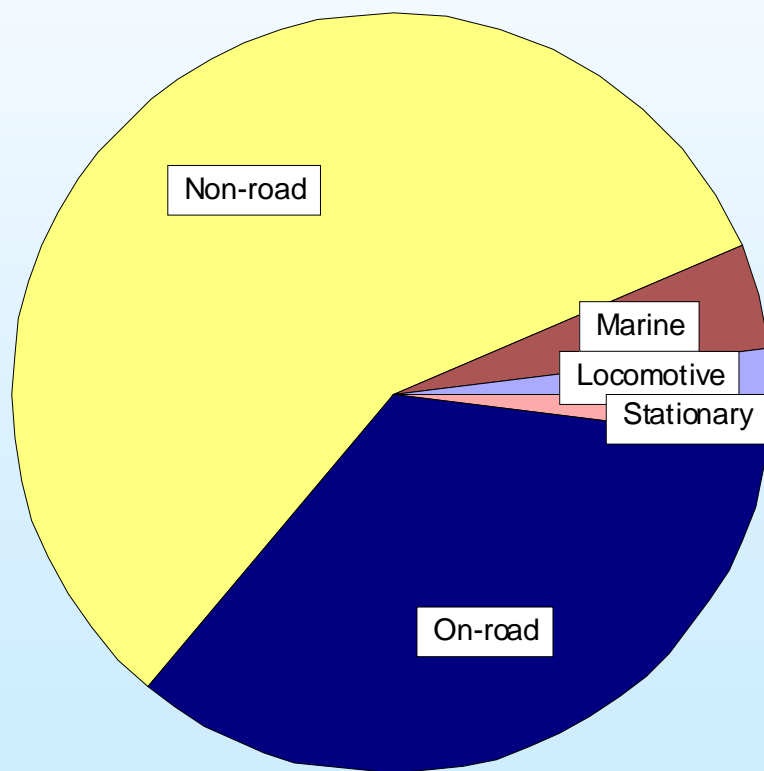
Emission Source	No. of Projects	% of Total	Amount	% of Total	Total Tons of NOx
<b>Total</b>	<b>709</b>		<b>\$185,970,851.04</b>		<b>39,367.5059</b>
<b>Locomotive</b>	14	2.0%	\$35,103,494.14	18.88%	7,191.2414
<b>Marine</b>	33	4.7%	\$19,985,220.34	10.75%	6,076.2773
<b>Non-road</b>	406	7.3%	\$53,291,046.70	28.66%	9,279.9705
<b>On-road</b>	243	34.3%	\$73,013,014.98	39.26%	15,954.7882
<b>Stationary</b>	13	1.8%	\$3,352,594.88	1.80%	620.8415
<b>Non-road TBD (RRC)</b>	??	0.0%	\$1,225,480.00	0.66%	244.3870

# Summary of Projects Funded Con't

Emission Source	% of Total	Tons Per Day	% of Total	Cost Per Ton	Cost Per Ton Per Day
<b>Total</b>		<b>22.4486</b>		<b>\$4,724</b>	<b>\$8,284,296</b>
<b>Locomotive</b>	18.3%	3.4329	15.29%	\$4,881	\$10,225,609
<b>Marine</b>	15.4%	4.2462	18.92%	\$3,289	\$4,706,613
<b>Non-road</b>	23.6%	6.1910	27.58%	\$5,743	\$8,607,825
<b>On-road</b>	40.5%	7.9611	35.46%	\$4,576	\$9,171,222
<b>Stationary</b>	1.6%	0.4057	1.81%	\$5,400	\$8,263,729
<b>Non-road TBD (RRC)</b>	0.6%	0.2117	0.94%	\$5,000	\$5,788,758

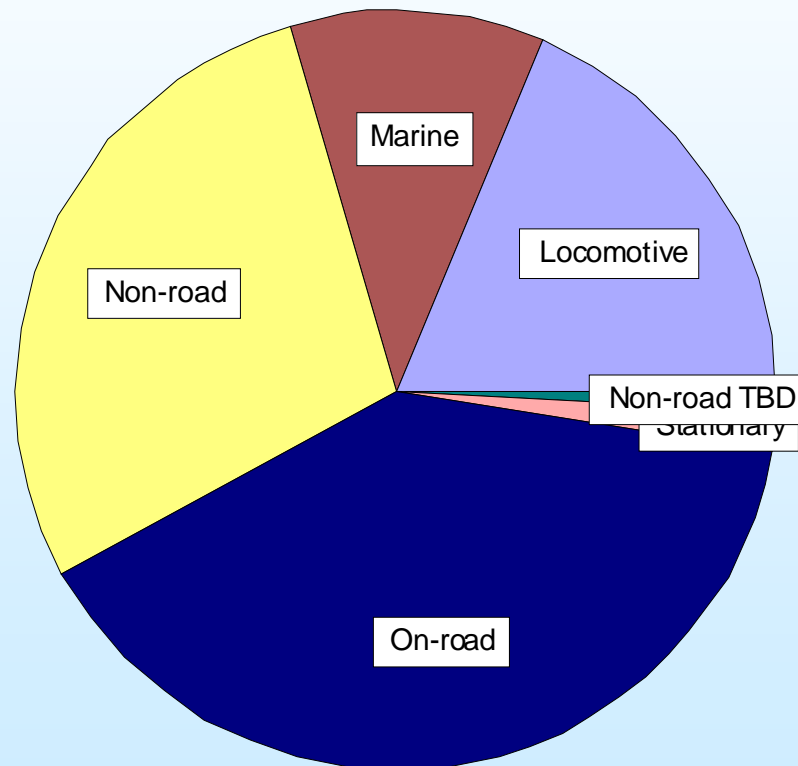
# Number of TERP Projects

Number of Projects



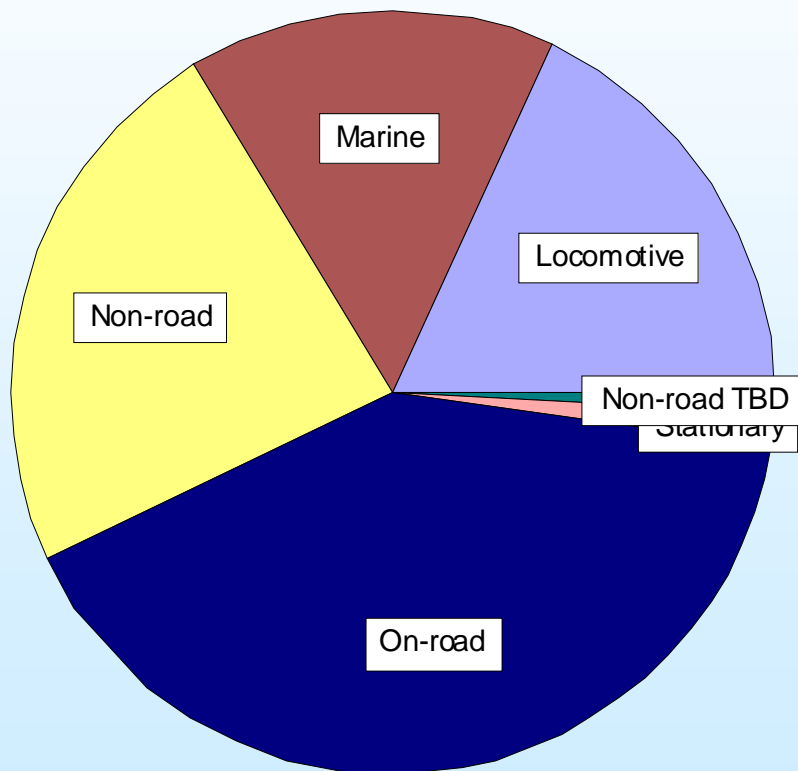
# Amount of Grant

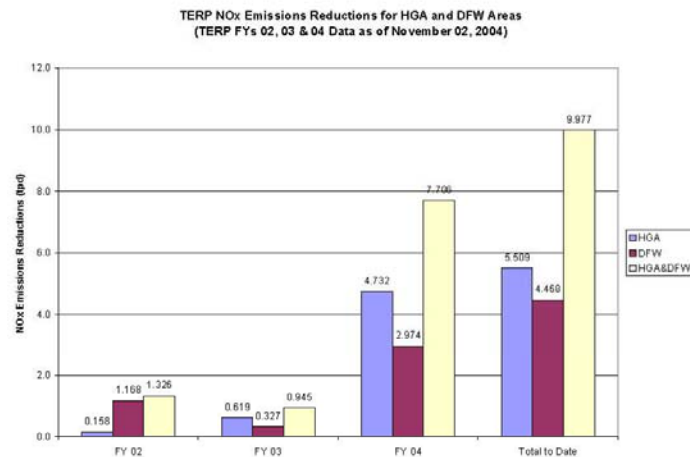
## Amounts



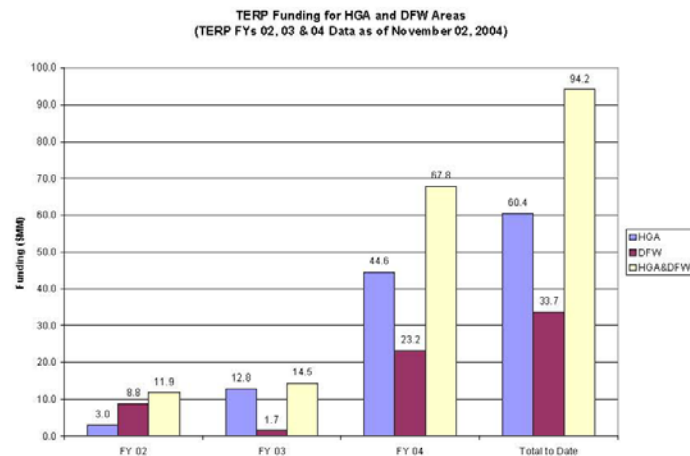
# Total Tons of NOx Reduced

Total Tons of NOx





**Figure 6-1.** TERP NOx emission reductions for the HGB and DFW areas (TERP FYs 02, 03 and 04 data as of November 02, 2004).



**Figure 6-2.** TERP funding to date for the HGB and DFW areas (TERP FYs 02, 03 and 04 data as of November 02, 2004).

As shown in Figure 6-1, the NOx emission reductions to date are about 5.5 and 4.5 tpd for the HGB and DFW areas, respectively. Figure 6-2 shows that the total TERP funding to date for the HGB and DFW areas are about \$60 and \$34 million dollars, respectively.